



BUILD ON

Overview of Municipal Asset Management Planning Regulation (O. Reg. 588/17)

ROMA conference 2018

January 23, 2018

Overview

In December 2017, the province passed an asset management planning regulation under the Infrastructure for Jobs and Prosperity Act, 2015.

This presentation provides an overview of:

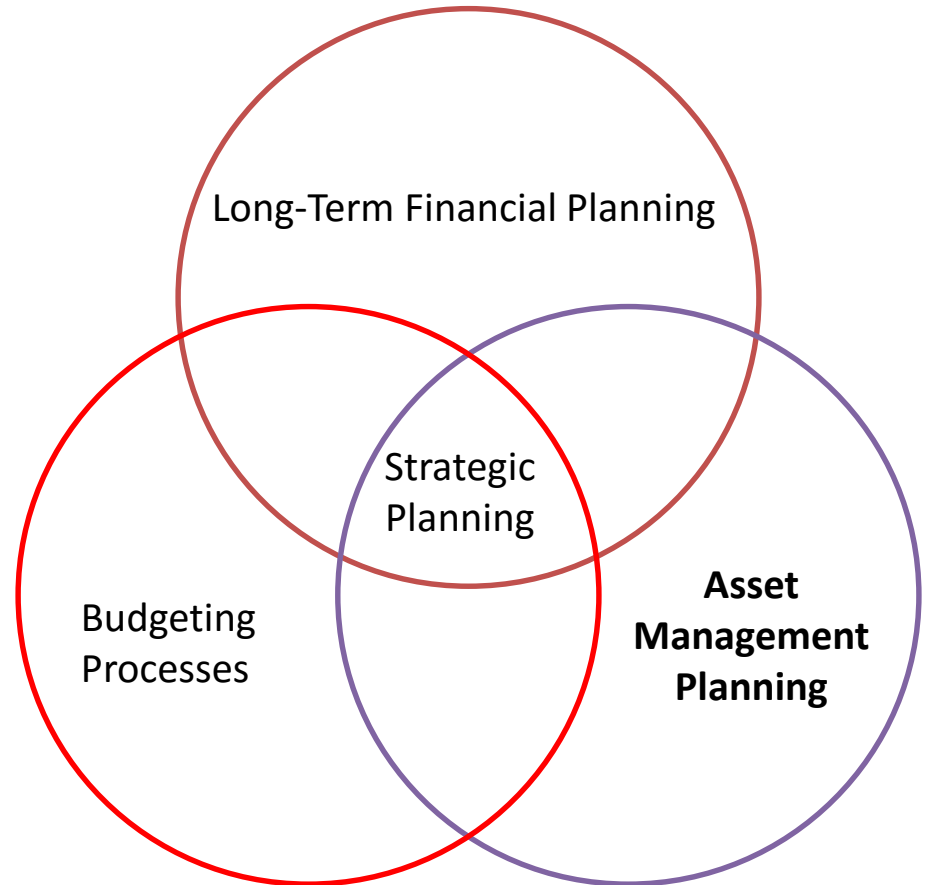
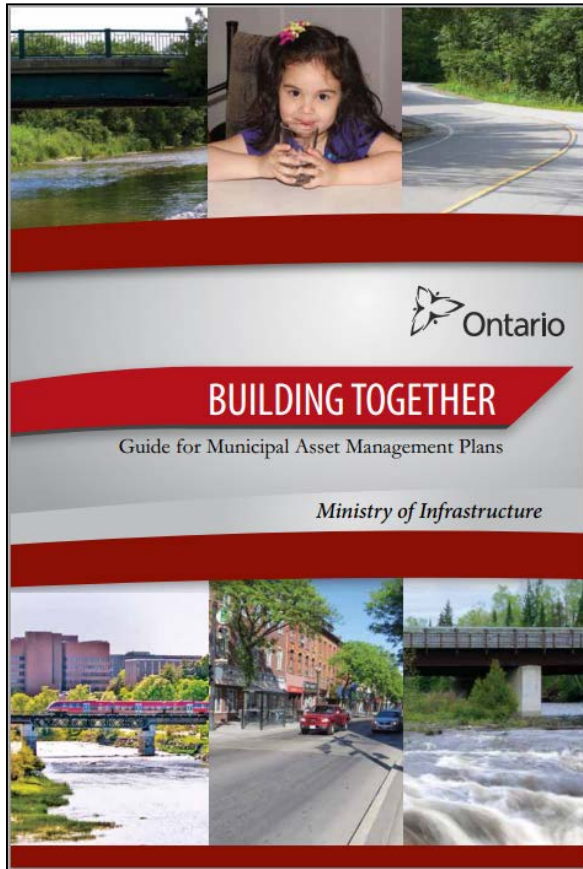
- municipal asset management planning in Ontario;
- development of the regulation, including incorporation of municipal feedback;
- regulatory requirements; and
- next steps/capacity building

Context



- Many municipalities are facing challenges to fund their infrastructure at levels that ensure its sustainability:
 - Ageing assets
 - Increased renewal needs and pressures from changing climate
 - There is a need to do things differently and collaborate to address the “infrastructure gap”

What is Asset Management Planning?



Progress on Asset Management

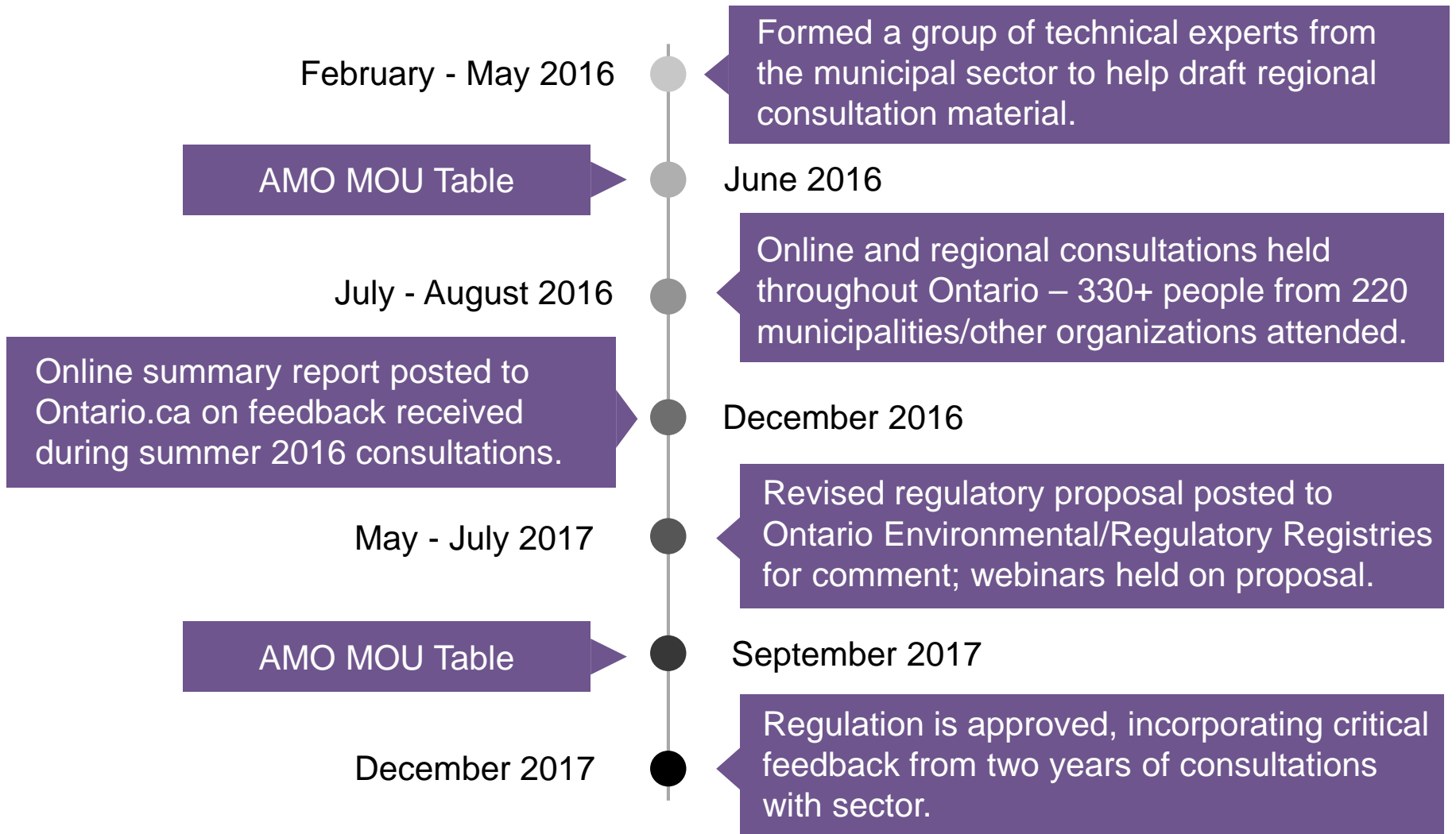
- Ontario's municipal infrastructure strategy has focused on strengthening asset management planning since 2012.
- The end goal is for municipalities, the province, and the federal government to leverage asset management planning to optimize infrastructure investment decisions.



Why Regulate?

- Though progress has been made, significant differences exist between the completeness, detail, methodology and assumptions used to develop current plans.
- Good asset management planning is more important than ever, given significant infrastructure pressures and new challenges resulting from a changing climate.
- Ontario Community Infrastructure Fund is tripling to \$300 million per year by 2018/19 and focusing more on formula based funding. In addition, federal government has made a renewed commitment to new infrastructure spending.
 - Evidence-based planning is critical to ensuring these funds support the right investments at the right time.

Consultations with Municipal Sector



Key Changes Based on Feedback

- After consulting with municipalities over two years, key changes to the regulation resulting from this feedback include:
 - Extending the phase-in period of the regulation from 4 years to 6 years,
 - Removing the requirement to have a licensed engineer sign off on plans; and
 - Adapting part of the regulation to include different requirements for small versus large municipalities.

Regulation Overview

Strategic Asset Management Policy (by July 1, 2019)

Requires municipalities to outline commitments to best practices and continuous improvement

Asset Management Plan: Phase 2 (by July 1, 2023)

Builds out the Phase 1 plan to include **all assets**

Additional Information

- Municipalities under 25,000 not required to discuss detailed risk analysis or growth.
- Plans would be updated every 5 years; annual progress update given to council.

Asset Management Plan: Phase 1 (by July 1, 2021)

For **core assets**:

- **Inventory of assets**
- **Current levels of service** measured by standard metrics
- **Costs to maintain levels of service**

Asset Management Plan: Phase 3 (by July 1, 2024)

Builds on Phase 1 and 2 by adding:

- **Proposed levels of service**
- **Lifecycle management and Financial strategy**

Strategic Asset Management Policy

- All municipalities are required to develop and adopt a strategic asset management policy by July 1, 2019. The policy must include:

Which municipal goals, plans, and policies the AMP will support.

Process for how AMP affects development of the municipal budget

Principles that guide the AMP

Process for alignment with land-use planning framework

Commitment to consider climate change mitigation & adaptation

Municipality's approach to continuous improvement

Identification of executive lead and how council will be involved

Commitment to provide opportunities to engage with the public

Level of Service Approach

- The regulation requires a description of levels of service for core infrastructure assets, including:
 - Community (customer) level – images and/or descriptions of what the end-user experiences
 - Technical level – using metrics that describe what the organization provides

Example: Bridges

Service attribute	Community levels of service	Technical levels of service
Scope	<ul style="list-style-type: none"> • Description of the traffic that is supported by municipal bridges (e.g., heavy transport vehicles, motor vehicles, emergency vehicles, pedestrians, cyclists). 	<ul style="list-style-type: none"> • % of bridges in the municipality with loading or dimensional restrictions

Capacity Building

- To assist municipalities with the implementation of the regulation, the province is providing up to \$25 million to deliver tools and supports over the next five years.
- It is expected that this funding will support a range of initiatives, including:
 - communities of practice
 - targeted coaching
 - funding to help small communities meet the specific requirements of the regulation.
- We also encourage municipalities to continue to leverage the great work already being done in the sector.

Next Steps

Spring 2018

- Announce initiatives supported by the \$25 million in tools and supports funding, including timelines and rollout.

2018 - ongoing

- Work with municipal sector organizations like MFOA to help municipalities implement the regulation.
- Participate in webinars and conferences and provide ongoing feedback opportunities for municipalities.

Questions?